

Mechanical Amusement Device (MAD) Tax

A license fee and occupation tax are imposed on operators and distributors of mechanical amusement devices, such as coin-operated video games. All proceeds are credited to the General Fund.

Beginning on January 1, 2000, annual licensing applications are to be filed by January 1, and licensing fees are not required. The occupation tax is \$35 per device placed in operation prior to July 1, and \$20 per machine placed in operation after July 1, 2000.

TABLE 10 — MECHANICAL AMUSEMENT DEVICE TAX RECEIPTS

	2001	2000	1999
January	\$35,000	\$39,935	\$6,098
February	4,220	12,665	7,700
March	5,770	5,125	5,775
April	3,915	3,035	5,725
May	7,365	5,625	2,650
June	3,175	3,370	4,525
July	7,860	8,935	2,850
August	1,860	2,195	3,450
September	3,195	1,145	3,200
October	1,615	530	1,200
November	99,155	91,205	65,235
December	318,420	352,210	376,175
Total	\$491,550	\$525,975	\$484,583

Severance Tax

Severance tax is levied upon the value of oil and gas severed or removed from the land. Oil and gas taken from stripper and nonstripper wells is subject to the tax. The tax is paid by every person severing oil or natural gas from land in Nebraska unless the severed oil or natural gas is sold in Nebraska. If the oil or gas is sold in Nebraska, then the first purchaser in Nebraska pays the tax.

The severance tax rate is three percent of the value of the nonstripper oil, three percent of the value of the natural gas, and two percent of the value of stripper oil.

Tax on oil or gas severed from public school lands is credited to the Permanent School Fund. For oil or gas severed from all other lands, one percent of the gross tax receipts is credited to the Severance Tax Administration Fund, up to \$300,000 may be appropriated by the legislature to the State Energy Office Cash Fund, up to \$30,000 may be appropriated to the Governor's Policy Research Office, and the remainder is credited to the Permanent School Fund.

TABLE 11 — SEVERANCE TAX RECEIPTS

	2001	2000	1999
January	\$233,804	\$138,163	\$57,089
February	104,688	173,956	51,020
March	239,355	229,328	63,053
April	113,749	106,708	36,415
May	149,247	142,481	74,892
June	183,852	221,885	93,379
July	139,243	186,232	100,646
August	79,611	149,369	77,245
September	189,462	224,693	121,777
October	154,824	209,143	106,523
November	130,835	8,010	149,609
December	149,328	317,558	85,184
Total	\$1,867,999	\$2,107,526	\$1,016,833